

NEWS RELEASE

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Former Galesburg Car Dealer Charged with Fraud Scheme

Peoria, IL -- Rodger A. Heaton, United States Attorney for the Central District of Illinois, announced that a federal grand jury in Peoria returned an indictment on June 22, 2006, charging Todd Black, age 37, currently of Brandon, Mississippi, with fraud related to his business involvement in several central Illinois car dealerships.

According to the indictment, in 2003, Black and a partner formed Galesburg Motors, Inc. Black served as president of the corporation which purchased and operated car dealerships including Black Pontiac in Galesburg; Black Auto Center in Galva; and, Black Chevrolet in Cambridge, Illinois.

From December 2003 through June 2004, the indictment alleges Black used more than \$275,000 from vehicle sale proceeds for personal expenses instead of repaying General Motors Acceptance Corporation (GMAC) according to financing agreements. Personal expenses allegedly included repairs and remodeling of his home and condo, personal loan and credit card payments, cash for himself and his wife, payments to a local country club, loans to personal friends, boat payments, boat slip rental and jet skis.

The indictment alleges Black concealed the fraud scheme from GMAC by: failing to report vehicle sales; falsifying vehicle sale dates; and making false claims about the vehicles' whereabouts. Black also allegedly submitted title documents for vehicles owned by another dealership when requesting financing from GMAC falsely representing that Black owned or purchased the vehicles. Black allegedly submitted more than \$1.2 million in checks to GMAC in an effort to lull GMAC into believing he would pay the money owed when there were insufficient funds in Black's bank account to cover the checks.

Members of the public are reminded that an indictment is merely an accusation; the defendant is presumed innocent unless proven guilty.

If convicted, the penalty for the offense is up to 20 years in prison and a fine of up to \$250,000. A summons will be issued for Black to appear in federal court in Peoria at a date to be determined by the U.S. Clerk of the Court.

The charges are the result of an investigation by the Federal Bureau of Investigation. The case is being prosecuted by Assistant U.S. Attorney Tate Chambers.

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